



REPUBLIC OF GHANA

**FOREST PLANTATION DEVELOPMENT FUND ACT, 2000 (ACT 583)**

As amended by

**THE FOREST PLANTATION DEVELOPMENT FUND (AMENDMENT) ACT, 2002  
(ACT 623)<sup>1</sup>**

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**THE FIVE HUNDRED AND EIGHTY-THIRD**

**ACT**

**OF THE PARLIAMENT OF THE REPUBLIC OF GHANA ENTITLED**

**THE FOREST PLANTATION DEVELOPMENT FUND ACT, 2000**

**AN ACT** to establish a Forest Plantation Development Fund to provide financial assistance for the development of forest plantations, to provide for the management of the Fund and to provide for related matters.[As amended by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.6]

**DATE OF ASSENT:** 4th October, 2000.

**BE IT ENACTED** by Parliament as follows:

**PART I—ESTABLISHMENT OF THE FOREST PLANTATION DEVELOPMENT FUND**

**Section 1—Establishment of Fund.**

There is established by this Act a Forest Plantation Development Fund.

**Section 2—Objects of the Fund.**

The objects of the Fund are to provide

- (a) financial assistance for the development of forest plantation on lands suitable for timber production, and
- (b) for research and technical advice to persons involved in plantation forestry on specified conditions.[As amended by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.1]

**Section 3—Application for Benefit.**

- (1) A person capable of implementing a plantation programme in accordance with the criteria established under section 9 of this Act, may apply for funding from the Fund.
- (2) An application under subsection (1) shall be in a prescribed form.

(3) A beneficiary of the Fund who observes the conditions set by the Board is entitled to exercise rights of ownership over any timber produced.

(4) A beneficiary under subsection (3) includes a successor of the beneficiary.

(5) A beneficiary under this Act is entitled to tax rebates and such other benefits that are applicable to it under the Ghana Investment Promotion Centre Act 1994 (Act 478).

#### Section 4—Sources of Fund.

The moneys of the Fund shall be derived from—

(a) the proceeds of the timber export levy imposed under the Trees and Timber Decree, 1974 (NRCDC 273) as amended by the Trees and Timber (Amendment) Act, 1994 (Act 493);

(b) grants and loans for encouraging investment in plantation forestry; [As amended by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.2(a).]

(c) grants provided by international environmental and other institutions to support forest plantation development projects for social and environmental benefits;

(d) moneys to support forest plantation development

(i) provided by Parliament from the Consolidated Fund; and

(ii) from any other source approved by the Minister for Finance. [As substituted by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.2(b).]

#### Section 5—Bank Account of the Fund.

Moneys for the Fund shall on the directions of the Board be paid into a bank account opened for the purpose with the Fund Management Bank appointed under section 8.

### PART II—MANAGEMENT OF THE FUND

#### Section 6—Establishment of Board.

(1) There is established by this Act the Forest Plantation Development Fund Management Board.

(2) The Board consists of—

(a) a chairman who is a person involved with the plantation industry;

(b) the Chief Director of the Ministry of Lands and Forestry;

(c) two representatives of institutions, organizations, companies or bodies involved with the plantation industry;

(d) one representative of tree growers;

(e) one representative of the Fund Management Bank; and

(f) one representative of a donor or a financial agency which contributes to the Fund a sum of money equal to or greater than the initial deposit derived from the proceeds of the export levy referred to in section 4 of this Act as at the date of the coming into force of this Act. [As

substituted by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.3.]

(3) The members of the Board shall be appointed by the President in consultation with the Council of State.

#### Section 7—Functions of the Board.

The Board shall be responsible for—

- (a) administering the Fund;
- (b) attracting contributions into the Fund and investing the moneys of the Fund;
- (c) encouraging investment in forest plantation development through incentives and other benefits;[As amended by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.4.]
- (d) facilitating best practices for optimum timber plantation establishment and management;
- (e) promoting a feasible scheme that supports related forest projects; and
- (f) monitoring the progress of the scheme to ensure compliance with the objects of the Act.

#### Section 8—Appointment of Fund Management Bank.

(1) For the purposes of section 7, the Board shall select a bank by a transparent competitive process and enter into a contract for its services to manage the Fund.

(2) The Management Bank shall under the directions of the Board be responsible for the

- (a) sound management of the Fund,
- (b) disbursement of moneys, and
- (c) recovery of money lent from the Fund.

#### Section 9—Disbursement of Fund.

(1) The Board shall, with the approval of the Minister prepare and publish criteria for the disbursement of moneys from the Fund and may authorise the Management Bank to make payments from the Fund—

- (a) for a specified size of plantation establishment and the relevant management costs, training and other incentives determined by the Board;
- (b) to forest plantation growers and forestry firms that may qualify to benefit from incentives determined by the Board;
- (c) to pay management fees and operational expenses of the Fund Management Bank; and
- (d) for the payment of any other relevant expenses as the Board may determine.

#### Section 10—Forest Plantation Development Scheme.

(1) For the purposes of section 7(e) the Board shall, within twelve months of the coming into force of this Act, prepare for the approval of the Minister a forest plantation development

scheme to cover up to two hundred thousand hectares of land for a period of not less than ten years and not more than twenty-five years.[As amended by the Forest Plantation Development Fund (Amendment) Act, 2002 (Act 623), s.5]

- (2) The Scheme shall be presented in a form determined by the Board and shall include—
- (a) projection of relevant annual expenditure from the Fund and the basis for the projection;
  - (b) projection of revenues for the Fund from various sources and the activities required to attract additional contributions to the Fund;
  - (c) provision for the review of the scheme every five years; and
  - (d) provision for recovery of any outstanding disbursed credit.
- (3) The Management Bank shall prepare an annual budget for each financial year in respect of a scheme approved by the Minister based on—
- (a) applications that qualify for incentives from the Fund;
  - (b) previously approved commitments for use of the Fund; and
  - (c) on-going and new activities to meet the objects of the Fund.

#### Section 11—Forest Plantation Inspectors.

- (1) The Board may appoint officers designated as Forest plantation inspectors referred to in this Act as “Inspectors”.
- (2) An inspector or any person authorized by the Board may at any reasonable time enter into a plantation which is a beneficiary of the Fund to inspect the plantation.
- (3) A person who assaults or obstructs an inspector or any authorised person acting in execution of duty under subsection (2) commits an offence and is liable on summary conviction to a fine of not less than five million cedis or to a term of imprisonment of not more than two years or to both.

#### Section 12—Tenure of Office of Members.

- (1) A member of the Board other than an ex-officio member shall hold office for a period not exceeding four years and is eligible for reappointment.
- (2) A member of the Board other than an ex-officio member may at any time by letter addressed to the President through the Minister resign from office.
- (3) A member who is absent from three consecutive meetings of the Board without sufficient cause ceases to be a member of the Board.
- (4) A member of the Board may be removed from office by the President for inability to perform the functions of office, for stated misbehaviour or for any other just cause.
- (5) The chairman of the Board shall through the Minister notify the President of vacancies that occur in the membership of the Board within one month of the occurrence of the vacancy.

#### Section 13—Meeting of the Board.

- (1) The Board shall meet for the despatch of business at the times and in the places determined by the chairman but shall meet at least once every two months.
- (2) The chairman shall upon the request of not less than one-third of the membership of the Board convene a special meeting of the Board.
- (3) The quorum at a meeting of the Board shall be five members of whom at least two shall be from the public sector and two from the private sector.
- (4) The chairman shall preside at meetings of the Board and in his absence a member elected by the members present from among their number shall preside.
- (5) Questions before the Board shall be decided by a majority of the members present and voting.
- (6) The chairman or the person presiding at a meeting of the Board shall in the event of equality of votes have a second or casting vote.
- (7) The Board may co-opt any person to act as an adviser at its meetings but a co-opted person shall not vote at the meeting.
- (8) The validity of the proceedings of the Board shall not be affected by a vacancy among its members or by a defect in the appointment or qualification of a member.
- (9) Except as otherwise expressly provided for under this section, the Board shall determine and regulate the procedure for its meetings.

#### Section 14—Disclosure of Interest.

- (1) A member of the Board who is interested in any matter being considered by the Board shall disclose the nature of that interest and shall not take part in any deliberation or decision of the Board with respect to that matter.
- (2) A member who fails to disclose interest under subsection (1) of this section, ceases to be a member of the Board.

#### Section 15—Allowances for Members.

The members of the Board shall be paid allowances as the Minister, in consultation with the Minister responsible for Finance, may determine.

### PART III—FINANCIAL PROVISIONS AND ADMINISTRATION

#### Section 16—Accounts and Audit.

- (1) The Board shall keep books of account and proper records in relation to them and the books of account and records shall be in a form approved by the Auditor-General.
- (2) The books of account of the Fund shall be audited by the Auditor-General or by an auditor appointed by him, within three months after the end of each financial year.
- (3) In addition to the annual audit, technical audits shall be conducted on a selective basis by the Auditor-General or by an auditor appointed by the Auditor-General on the recommendations of the Board.

Section 17—Secretarial Services for the Fund.

(1) The Chief Director of the Ministry shall act as the secretary to the Board and shall arrange the business of the Board.

(2) There shall also be provided by the Ministry for the work of the Board such other staff as may be necessary.

Section 18—Financial Year.

The financial year of the Fund shall be the same as the financial year the Government.

Section 19—Annual Report.

(1) The Board shall submit to the Minister not later than six months after the end of each financial year a report dealing generally with the activities and operation of the Fund during the year to which the report relate and shall include—

(a) the audited accounts of the Fund and Auditor-General's report on the accounts of the Fund; and

(b) such other information as the Board may consider necessary.

(2) The Minister shall within two months after the receipt of the annual report submit the report to Parliament with such statement as he considers necessary.

Section 20—Transfer of Money.

The money in the Forest Improvement Fund established under the Forest Improvement Fund Act, 1960 (No. 12 of 1960) is hereby transferred into the Fund established under section 1 of this Act subject to any payment required under the Forest Improvement Fund Act or any other enactment.

Section 21—Regulations.

The Minister may by legislative instrument make Regulations for the effective implementation of this Act.

Section 22—Interpretation.

In this Act unless the context otherwise requires—

“Board” means the Forest Plantation Development Fund Management Board established under section 6;

“Management Bank” means the bank appointed under section 8;

“Fund” means the Forest Plantation Development Fund established under section 1;

“incentives” means loans, rebates, grants and insurance;

“Inspector” means any competent professional person appointed by the Board to conduct an assessment of a forest plantation project;

“Minister” means the Minister for Lands and Forestry;

“Ministry” means the Ministry of Lands and Forestry;

“plantation” includes any project undertaken with financial assistance from the Fund.

Section 23—Repeal.

The following enactments are repealed:

the Forest Improvement Fund Act, 1960 (No. 12 of 1960); and

the Forest Improvement Fund (Amendment) Act, 1962 (Act 144).

**Date of Gazette Notification: 6th October, 2000.**